



GOV. MSG. NO. 1306

EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

July 2, 2015

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Twenty-Eighth State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Joseph M. Souki,
Speaker and Members of the
House of Representatives
Twenty-Eighth State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Souki, and Members of the Legislature:

This is to inform you that on July 2, 2015, the following bill was signed into law:

HB1010 HD1 SD2 CD1

RELATING TO THE COMMUTER BENEFITS
PROGRAM
ACT 205 (15)

Sincerely,

A handwritten signature in black ink, appearing to read "David Y. Ige".

DAVID Y. IGE
Governor, State of Hawai'i

RECEIVED
SENATE
OFFICE OF THE PRESIDENT

RECEIVED
THE SENATE
CLERK'S OFFICE
STATE OF HAWAII

'15 JUL -2 P3:52

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on JUL 2 2015
HOUSE OF REPRESENTATIVES
TWENTY-EIGHTH LEGISLATURE, 2015
STATE OF HAWAII

ACT 205
H.B. NO. 1010
H.D. 1
S.D. 2
C.D. 1

A BILL FOR AN ACT

RELATING TO THE COMMUTER BENEFITS PROGRAM.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that commuter benefits
2 programs promote the reduction of traffic congestion, greenhouse
3 gas emissions, air pollution, and the State's reliance on
4 imported fossil fuel. Commuter benefits will help the State to
5 meet the Hawaii clean energy initiative standards and achieve
6 the greenhouse gas reduction target established by Act 234,
7 Session Laws of Hawaii 2007.

8 Commuter benefits are employer-provided benefits that allow
9 employees to reduce their transportation costs for transit,
10 vanpooling, and biking under section 132(f) of the Internal
11 Revenue Code of 1986, as amended, by permitting employees to use
12 pre-tax dollars, subject to monthly limits, to pay for their
13 commuting expense.

14 The purpose of this Act is to authorize the counties to
15 adopt an ordinance requiring employers to offer employees
16 specified commuter benefits options.



1 SECTION 2. Chapter 46, Hawaii Revised Statutes, is amended
2 by adding a new section to be appropriately designated and to
3 read as follows:

4 "§46- Commuter benefits program. (a) The counties may
5 adopt an ordinance establishing a commuter benefits program that
6 consists of one or more of the following commuter benefits
7 options:

- 8 (1) A program, consistent with section 132(f) of the
9 Internal Revenue Code of 1986, as amended, allowing
10 covered employees to elect to exclude from taxable
11 wages costs incurred for transit passes, vanpool
12 charges, and bicycle commuting costs up to the maximum
13 amount allowed by federal tax law;
- 14 (2) A program whereby the employer offers employees a
15 subsidy to offset the monthly cost of commuting via
16 transit, vanpool, or bicycle. The subsidy shall be
17 equal to the lesser of the monthly cost of a transit
18 pass or the monthly cost of a vanpool; provided that a
19 subsidy for bicycle costs shall be in addition to
20 subsidies for transit and vanpool costs; or



1 (3) Transportation furnished by the employer at no cost or
2 low cost, as determined by the designated authority,
3 to employees in a vanpool, bus, or similar multi-
4 passenger vehicle operated by or for the employer.

5 (b) Nothing in this section shall prevent an employer from
6 offering a more generous commuter benefit that is otherwise
7 consistent with the requirements of the applicable commuter
8 benefits ordinance. Nothing in this section shall require
9 employees to change their method of commute. This section shall
10 not be construed to absolve any employer or other party from any
11 obligation required by an existing collective bargaining
12 agreement with employees or any provision of law.

13 (c) For purposes of this section:

14 "Employee" means any person who is on the employer's
15 payroll and works in a full-time or part-time position. The
16 term includes any person who is entitled to payment of a minimum
17 wage from an employer under the Hawaii minimum wage law.

18 "Employer" means any person, including corporate officers
19 or executives, who directly or indirectly or through an agent of
20 any other person, including through the services of a temporary
21 service or staffing agency or similar entity, employs or



1 exercises control over the wages, hours, or working conditions
2 of an employee.

3 "Transit pass" means any pass, token, fare card, voucher,
4 or similar item entitling a person to transportation on public
5 transit, including but not limited to travel by bus or train.

6 "Vanpool" means any highway vehicle that:

7 (1) Has the seating capacity of at least six adults, not
8 including the driver; and

9 (2) Is reasonably expected to use at least eighty per cent
10 of the mileage for the purpose of transporting a
11 number of employees equal to at least fifty per cent
12 of the seating capacity of the vehicle, not including
13 the driver, in connection with travel between the
14 residence and place of employment of employees."

15 SECTION 3. After the effective date of this Act, the
16 counties shall be responsible for the creation and
17 implementation of any commuter benefits programs established
18 pursuant to this Act.

19 SECTION 4. New statutory material is underscored.

20 SECTION 5. This Act shall take effect on July 1, 2015.



H.B. NO. 1010
H.D. 1
S.D. 2
C.D. 1

APPROVED this 2 day of JUL, 2015

A handwritten signature in black ink, appearing to read "David Ige", with a stylized flourish at the end.

GOVERNOR OF THE STATE OF HAWAII